Town of Wilbraham, 240 Springfield Street, Massachusetts 01095

# FY 2012
# EMPLOYEE BENEFITS
(July 1, 2011 to June 30, 2012)



Health Insurance
Dental Insurance
Life Insurance
Flexible Spending Accounts (FSA)
Deferred Compensation

This document is available, upon request, in alternate formats including large print.
Please direct your request to:
Herta Dane, Human Resources Coordinator
240 Springfield Street, Wilbraham, MA 01095
or call (413)596-2800 extension 100

**This document is available in color**
**on the Town's website at www.wilbraham-ma.gov**

# Index

## What do I need to do during Open Enrollment?

Employee's who want to keep the same health, life, dental, and disability insurance plan(s) in which they are currently enrolled and add no additional coverage need to do nothing; enrollment will be automatically continued unless a change form is completed.

Employee's who want to cancel a plan must complete a termination form, employees who wish to enroll in a new or different plan, or add a dependent must complete an enrollment form.

If you wish to contribute to a Flexible Spending Account (Medical or Dependent Care FSA) you must complete the annual enrollment. There is no automatic renewal for Flexible Spending Accounts. Insurance premiums are generally paid one month in advance.

Deductions for the new premium rates effective on July 1, 2011 will begin with the **payroll of *June 3, 2011*.**

## Changes permitted during Open Enrollment:

- Enroll yourself and/or dependents for the first time (if you meet eligibility requirements) in any plan of your choice.
- Add previously non-covered eligible dependents to existing plans.
- Cancel any coverage(s) or delete any dependents for whom coverage is no longer required.
- Switch from your current plan to any of the other offered plans or plan options.
- Enroll in a pre-tax Flexible Spending Account. Deadline for enrollment is Friday, June 17, 2011. There is no automatic renewal for Flexible Spending Accounts. Please contact Assistant Treasurer Lynne Frederick at 413-596-2800 extension 129 or via e-mail at lfrederick@wilbraham-ma.gov

## Changes that happen during the plan year:

It is the employee's responsibility to inform the employer and health plan of any changes during the year. If you have a qualifying event that changes health care eligibility, such as (but not limited to) getting married, getting divorced, having or adopting a child, a child that reaches age 26, or losing health coverage through your spouse, please contact Gloria Congram **within 30 days** of the date of birth, marriage, divorce, loss of other health care coverage, or other qualifying event. After 30 days from the date of the event you may not be able to change coverage or enroll your new spouse or child until the next Annual Open Enrollment Period!

## Where to go for help:

Your primary contact person for all insurance plan enrollment questions is

**Gloria Congram, Executive Assistant of the Millenium Insurance Agency.**

Gloria is available Thursdays from 9:30 a.m. to 1:30 p.m. in meeting room 1 at the Town Office Building. Her phone number is 413-596-2800 ext 102.

Hard copy literature is available for all plans in the Selectmen's Office during normal office hours. Call or e-mail Herta (596-2800 ext 100 or hdane@wilbraham-ma.gov) if you would like to stop by to pick something up or have something sent to you via interoffice mail.

## Where to find more information:

| | |
|---|---|
| Blue Cross Blue Shield: | www.bluecrossma.com |
| Health New England: | www.hne.com |
| Tufts Health Plan: | www.tuftshealtplan.com |
| Boston Mutual: | www.bostonmutual.com |
| Great-West Retirement: | www.gwrs.com |
| Altus Dental: | www.altusdental.com |

## The Scantic Valley Regional Health Trust-Saving you Money

The Town of Wilbraham is pleased to let you know that the Scantic Valley Regional Health Trust (SVRHT), the joint purchase group through which the Town of Wilbraham purchases health benefits, has been able to reduce the proposed FY12 health plan rate *increases* for the Blue Care Elect Preferred PPO, Network Blue N.E., HNE EPO/HMO, Medex, and HNE Mediwrap plans to single digit increases. These plans are self-funded by the SVRHT. Original rate projections for these plans came in as double digit rate increases. SVRHT was able to use its healthy Trust Fund balance once again to reduce the rates. On a *composite basis*, across all plans the rate increase will be 7% rather than the projected 16%! The SVRHT Trust Fund will fund the difference. The SVRHT has a healthy Trust Fund balance because claims for the last few years have run lower than projected. If this is not the case in FY12, it is possible that the following year could have significant rate increases.

## Wellness Programs

SVRHT has invested in Wellness programs with a part-time Wellness Coordinator, Amy Higgins, who works with the SVRHT's member employers to bring health promotion programs, disease screenings, and general behavior risk reduction programs to employees and retirees. This is a long-term cost reduction strategy rather than a cost shifting strategy. SVRHT believes participation in the Wellness programs is a *Win-Win* for employees and employers - improving quality of life while putting the SVRHT on track for reducing health costs for preventable conditions. Please consider participating in the SVRHT Wellness programs. Please contact Amy Higgins at amy@ScanticHealth.org for more information or visit the The Scantic Valley Regional Health Trust website at www.scantichealth.org.

## Prescription Savings Program

***myMedicationAdvisor*** is a voluntary prescription medication safety and savings program provided free of charge as part of the benefits package for employees who are enrolled in Blue Cross Blue Shield or Health New England health plans. ***myMedicationAdvisor*** is primarily a web-based program but does have a paper-based ordering process and a customer-friendly telephonic component for those without computers. The program offers education in the area of medication management, and provides answers to confidential medication questions. In addition, the program offers selected maintenance medications which can be purchased more cost efficiently from a vendor who provides brand name medications. Medication lists are updated every three months. **myMedicationAdvisor's** website is www.myMedicationAdvisor.com. Log on and start saving on prescription medications. If you would rather speak to somebody, they have a toll free phone number at 1-877-467-3133.

## Fitness Benefits (i.e. Gym membership or Weight Loss program)

All three insurance providers (BC/BS, HNE and Tufts) offer reimbursement benefits on fitness programs (club membership or fitness classes) Blue Cross Blue Shield offers $150.00 per family per calendar year. Health New England also offers the same $150.00 a year reimbursement. Join a participating fitness club and Tuft's Health Plan will offer a discounted rate and no enrollment fee. Please contact your insurance provider directly, or our benefits administrator Gloria Congram, at 596-2800 Ext. 102 for information for these benefits or to obtain a reimbursement form.

***April 27, 2011***

# IMPORTANT NOTICE

## ENROLLMENT AND COVERAGE FOR ADULT CHILDREN TO AGE 26

The Patient Protection and Affordable Care Act (PPACA) of 2010 requires employers that offer health benefits to extend coverage to the Adult Children of their employees to the 26th birthday. Individuals whose coverage ended, or who were denied coverage (or were not eligible for coverage), because the availability of dependent coverage of children ended before attainment of age 26 are now eligible to enroll in plans offered by the Scantic Valley Regional Health Trust (SVRHT)* provided they are not offered health benefits through their own employer.

**Blue Cross & Health New England plans:** These plans are self-funded by SVRHT and have been Grandfathered under PPACA Benefit-eligible employees may request enrollment in Blue Cross Blue Shield and Health New England Plans for Adult Children to age 26 *who do not have another offer of insurance* for 30 days from the date of the Town of Wilbraham's first notice about Adult Child Eligibility. **The enrollment applications will be due on May 30, 2011. Enrollment will be effective July 1, 2011.**

**Tufts HMO plan:** This plan is fully insured and is not Grandfathered under PPACA. Benefit-eligible employees may request enrollment in the Tufts HMO plan for Adult Children to age 26 for 30 days from the date of the Town of Wilbraham's first notice about Adult Child Eligibility. The **enrollment applications will be due on May 30, 2011**. **Enrollment will be effective July 1, 2011**.

For more information contact Gloria Congram, Benefits Administrator, at 413-596-2800 extension 102 (leave message). For urgent business please call Herta Dane, Human Resources Coordinator at 413-596-2800 extension 100 or e-mail at hdane@wilbraham-ma.gov.

All enrollment forms to add Adult Children must be returned to your contact (see above) **no later than May 30, 2011** for July 1st effective date of coverage.

## Frequently Asked Questions:

Note: The term "employee" refers to active employees and retirees who are eligible for the health insurance benefit.

**1. Question: Who is included as an Adult Child under the federal reform law?**

Answer: *Children* as defined by PPACA are the children, stepchildren, adopted children, and eligible foster children under age 26 of benefit-eligible employees. *Adult Children* are those age 19 through 25.

BCBS and HNE plans: In the case of Grandfathered plans*, coverage must be granted to an Adult Child of an employee (up to age 26), unless the Adult Child has an offer of insurance from his/her own employer, regardless of the child's tax filing status, marital status, and financial dependency on the parent.

Tufts HMO: In the case of Non-grandfathered plans, coverage must be granted to an Adult Child of an employee (up to age 26) regardless of the child's tax filing status, marital status and financial dependency on the parent.

An Adult Child, like any child of a benefit-eligible employee, may enroll as a dependent on the parent's Family plan. An Adult Child may not enroll unless the parent is enrolled.

**2. Question: When can I enroll my Adult Child (under age 26) on my policy?**
Answer: Now is the time to enroll your Adult Child (under age 26). You have 30 days from the date of this notice to submit the enrollment application. All applications must be received by 30 days after the date of this notice for coverage to be effective July 1, 2011. Enrollment applications are due on **May 13, 2011**.

**3. Question: What documentation is required?**
Answer: The subscriber (employee) must fill out an enrollment application and provide the following:

- *For a child or stepchild*: photo-copy of the child's birth certificate showing the parent-child relationship of the subscriber and/or spouse. In the case of a stepchild, the marriage certificate for the parent and stepparent, one of whom must be the employee.

- *For an adopted child*: photocopy of proof of placement letter or adoption letter.

- *For a foster child*: photocopy of placement letter or court order.

- *For BCBS and HNE enrollments, the employee must sign an AFFIDAVIT affirming that the Adult Child does not have an offer of health insurance from his/her employer.*

**4. Question: My Adult Child age 19-26 is working and is eligible for coverage through his/her employer. Is my Adult Child eligible to enroll in my family health plan?**
Answer:

- BCBS and HNE: He/she is not eligible for BCBS or HNE plans. The employee will be required to sign an AFFIDAVIT affirming that the Adult Child does not have access to health benefits from his/her own employer.
- Tufts HMO: This Adult Child would be eligible for Tufts HMO only if he/she is living in the health plan's service area.

**5. Question: My Adult Child (under age 26) is a full-time student who lives outside the health plan's service area while at school and is enrolled on my Family EPO/HMO plan (Network Blue NE, Health New England, or Tufts HMO). May we retain the EPO/HMO coverage we currently have and continue to cover my Adult Child?**
Answer: Your Adult Child may remain on your current EPO/HMO Family plan while your Adult Child is a full-time dependent student out-of-area and enrolled in your coverage. However, your Adult Child (under age 26) will only be covered for emergency/urgent care services while he/she is outside the EPO/HMO service area. This has always been the case.

- BCBS and HNE EPO/HMO plans: After graduating or otherwise leaving school, your Adult Child may remain on your BCBS or HNE EPO/HMO plan for as long as he/she is under age 26, not offered insurance by his/her own employer, and living within the health plans' service area.
- Tufts HMO plan: After graduating or otherwise leaving school, your Adult Child may remain on your Tufts HMO plan for as long as he/she is under age 26 and living within the health plan's service area.

**6. Question: I am enrolled in an EPO/HMO plan, and my Adult Child (under age 26) has a permanent address outside the health plan's service area. May we retain the EPO/HMO coverage we have and add my Adult Child?**
Answer: No. Your Adult Child who lives outside the health plan service area is not eligible to be on an EPO/HMO plan. You will need to decide if the entire family will
change to the BCBS PPO plan in order to cover your Adult Child who lives outside the service area, or remain on your EPO/HMO plan but not cover the Adult Child. Please review the benefits and costs carefully before

making a decision. You will not be able to switch coverage until the next Open Enrollment, i.e. for July 1, 2012, unless you have a Qualifying Event.

**7. Question: What if my Adult Child (under age 26) moves out of the EPO/HMO health plan service area *after* I have placed him/her on my plan?**
Answer: If the Adult Child is establishing residency outside the service area for more than 3 months, it is the employee's responsibility to notify the employer of this change. If the employee wishes, the family may change to the PPO plan and thereby continue to cover the Adult Child. Otherwise, the Child will be dropped from the EPO/HMO plan's coverage and will be offered COBRA Continuation Coverage. Please see the "IMPORTANT" note at the end of this Q&A, page 4.

**8. Question: My Adult Child (under age 26) is currently on my plan as a full-time dependent student. Do I have to submit a new enrollment application?**
Answer: No. You do not need to submit a new application if the Adult Child (under age 26) is already enrolled on your health plan provided you are not changing plans. If you are changing plans, you must fill out a new enrollment application.

**9. Question: What if my Adult Child (under age 26) is currently on COBRA coverage?**
Answer: You may cancel COBRA coverage for your Adult Child (under age 26) and complete an enrollment form to add your Adult Child to your policy effective July 1, 2011. See qualifications above regarding residency requirements for EPO/HMO plans.

**10. Question: When does coverage end for my Adult Child (under age 26) and what options are available for coverage then?**
Answer:

- BCBS and HNE plans: As long as you remain eligible for coverage as an employee, coverage ends for your Adult Child effective at 12:01 A.M. on the Adult Child's 26th birthday or at the time he/she is offered insurance by his/her own employer or when he/she establishes residence outside the service area.
- Tufts HMO plan: As long as you remain eligible for coverage as an employee, coverage ends for your Adult Child effective at 12:01 A.M. on the Adult Child's 26th birthday or when he/she establishes residence outside the service area.
- All plans: COBRA coverage will be offered to your Adult Child when he she turns 26 or otherwise loses eligibility for coverage. If your Adult Child does not wish to take COBRA, he/she can call the Massachusetts Health Connector at 1-877-623-6765 or go online at www.mahealthconnector.org to shop for health coverage. If your Adult Child age 26 or older is enrolled in a school of higher education, there may be a health benefits plan available to students.

**11. Question: My Adult Child has a child. May the child of my child be enrolled in my Family plan?**
Answer:
BCBS and HNE plans: No. The Patient Protection and Affordable Care Act does not require employers or health plans to cover the dependents of the employee's children. Self-funded health plans are not required to cover dependents of dependents under State law.
Tufts HMO: Yes, provided the Adult Child meets the dependency requirements of State Law. Tufts is subject to State Law since it is offered as a fully insured plan.

**12. Question: My Adult Child is married. May the spouse of my Adult child be enrolled in my Family plan?**
Answer:

All plans: No. Neither the Patient Protection and Affordable Care Act (PPACA) nor State Law requires employers or health plans to cover the spouses of the employee's children.

**13. Question: My Adult Child is handicapped and is mentally or physically incapable of earning his/her own living and is currently enrolled on my health plan. Do I need to do anything during the Open Enrollment to maintain my dependent's coverage?**
Answer: No. The health plans periodically re-certify handicapped dependent coverage. Adult Children who are handicapped and incapable of earning a living are eligible to remain on the parent's coverage beyond age 26, subject to periodic re-certifications.

**14. Question: I am enrolled in a Family Dental plan through my employer. Is my Adult Child covered to age 26 on the dental plan?**
Answer: No. Dental plans are not subject to the Patient Protection and Affordable Care Act. There are no changes to eligibility for the dental plan.

**IMPORTANT**:
**It is the responsibility of the employee to notify the employer of any changes in Adult Child status, such as moving out of the service area or access to other employer group coverage. If you do not notify the employer of changes, and if it is found that your Adult Child is ineligible, you could be responsible for all medical charges that he/she incurs.**

## General Regulations for Covering Spouses and Dependents

**Eligible Spouses** - The subscriber may enroll an eligible spouse for coverage under his or her health plan membership. An 'eligible spouse' includes the subscriber's legal spouse.

In the event of a divorce or legal separation, the person who was the spouse of the subscriber prior to the divorce or legal separation will remain eligible for coverage under the subscriber's health plan membership, whether or not the judgment was entered prior to the effective date of this health plan. The former spouse will remain eligible for this coverage only until the subscriber is no longer required by the judgment to provide health insurance for the former spouse or the subscriber or former spouse remarries, whichever comes first.

If the subscriber remarries, the former spouse may continue coverage under a separate health plan membership with the subscriber's group, provided the divorce judgment requires that the subscriber provide health insurance for the former spouse. This is true even if the subscriber's new spouse is not enrolled under the subscriber's health plan membership. However, the former spouse must move from family coverage to individual coverage and additional premiums will be required; the former spouse only remains eligible under the group if the divorce decree provided for such coverage. If the former spouse remarries, the former spouse's eligibility ends.

**Eligible Dependents** - The subscriber may enroll eligible dependents for coverage under his or her health plan membership. The subscriber's 'eligible dependents' include: a dependent child who is under age 19 or a dependent child between the ages of 19 and 26, who is not eligible for his/her own employer based health insurance. These include the subscriber's or legal spouse's dependent children who qualify as dependents as subject of a court order which requires the subscriber to provide health insurance for the children. These may include:

1. A newborn child – the effective date of coverage for a newborn child will be the child's date of birth provided that the subscriber formally notified the plan sponsor within 30 days of the date of birth.

2. An adopted child – the effective date of coverage for an adopted child will be the date of placement with the subscriber for the purpose of adoption. The effective date of coverage for an adoptive child who has been living with the subscriber and for whom the subscriber has been getting foster care payments will be the date the petition to adopt is filed. If the subscriber is enrolled under a family plan as of the date he or she assumes custody of a child for the purpose of adoption, the child's health care services for injury or sickness will be covered from the date of custody.

3. A child who is recognized under a Qualified Medical Child Support Order as having the right to enroll for health care coverage.

4. A dependent child who is between the ages of 19 and 26; the child must not be eligible for health insurance through his/her employer.

5. An unmarried disabled dependent child may maintain coverage under the subscriber's health plan membership. The child must be either mentally or physically handicapped so as not to be able to earn his or her own living, as determined by the health plan carrier. The subscriber must make arrangements for the disabled child to continue coverage under the family contract no more than 30 days after the date the child would normally lose eligibility.

6. A newborn infant of an enrolled dependent immediately from the moment of birth and continuing after, until the enrolled dependent is no longer eligible as a dependent.

## **To enroll a spouse or dependent, please submit the following documentation**:

| Relationship | Documentation |
|---|---|
| Spouse | Photocopy of town- or city-issued marriage certificate (church or Justice of the Peace certificates are NOT accepted), and Page 1 of your filed 2009 or 2010 Federal Tax Return (1040 or 1040A.) Social Security numbers and income may be blacked out. Federal Tax Return requirement does not apply to same-sex marriages (affidavit will be provided). |
| Divorced or Separated Spouse | Photocopy of the health insurance provision language from divorce/ separation agreement, and first page listing names of both parties or signature page. |
| Child Under Age 19 | Photocopy of town- or city-issued birth certificate (long form listing parents' names) (hospital records are not accepted), or Court Order documenting guardianship, or adoption papers. |
| Child Age 19-26 | In addition to the Child Under 19 documentation, a signed affidavit from the subscriber stating that his/her dependent does not have access to employer-based health insurance (affidavit will be provided). |

## Massachusetts Health Care Reform

All Massachusetts residents are required to maintain health insurance. Key provisions of the law include subsidized health insurance for residents earning less than 300% of the Federal Poverty Level, and low-cost insurance for all other residents who are not eligible for insurance through their employers. Those who cannot show that they have health insurance will have to pay a penalty on their Massachusetts income tax return.

Massachusetts employers of 11 or more FTE employees must also disseminate and collect an Employee Health Insurance Responsibility Disclosure Form (HIRD) from each employee that declines to enroll in employer sponsored insurance or declines to use the employer's Section 125 Cafeteria Plan to pay for health insurance. This form is on the reverse side of the last page of this document. If you are eligible to enroll but decline because you have other health insurance coverage you MUST complete the HIRD form and return it to the Selectmen's Office.

The Commonwealth Connector can help you learn more about the health care reform law. The Connector administers two programs: Commonwealth Care and Commonwealth Choice. Commonwealth Care connects uninsured individuals with incomes that fall within certain guidelines, and who meet other qualifications with approved health plans, and helps them pay for them. Commonwealth Choice offers private health insurance options for individuals, families and employers. Visit https://www.mahealthconnector.org or call 1-877-MAENROLL (1-877-623-6765) for more information.

**All group health plans the Town of Wilbraham offers meet Minimum Creditable Coverage Standards which satisfies the individual mandate requirement of the Massachusetts Health Care Reform Act (Chapter 58 of the Acts of 2006)**

## Children's Health Insurance Program (CHIP)

If you are eligible for health coverage from your employer, but are unable to afford the premiums, some States, including Massachusetts, have premium assistance programs that can help pay for coverage. If you or your dependents are already enrolled in Medicaid or CHIP and you live in Massachusetts (or any of the other states that offer premium assistance), contact your State Medicaid or CHIP office to find out if premium assistance is available at http://www.mass.gov/MassHealth or by calling 1-800-462-1120.

If you or your dependents are NOT currently enrolled in Medicaid or Chip, and you think you or any of your dependents might be eligible for either of these programs, you can contact your State Medicaid or CHIP office or dial 1-877-KIDS NOW or www.insurekidsnow.gov to find out how to apply. If it is determined that you or your dependents are eligible for premium assistance under Medicaid or CHIP, your employer's health plan is required to permit you and your dependents to enroll in the plan within 60 days of being determined eligible for premium assistance (not only during Open Enrollment!).

For more information you may also contact:
U.S. Department of Labor U.S. Department of Health & Human Services
Employee Benefits Security Administration Centers for Medicare and Medicaid Services
www.dol.gov/ebsa www.cms.hhs.gov
1-866-444-EBSA (3272) 1-877-267-2323 ext 61565

## Consolidated Omnibus Budget Reconciliation Act (COBRA)

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and qualified beneficiaries the right to continue health insurance coverage under the town's group health plan when a "qualifying event" would normally result in loss of eligibility. Included are such events as resignation, termination of employment, a reduction in an employee's work hours, an unpaid leave of absence, divorce or legal separation, a dependent child no longer meeting eligibility requirements or the death of an employee. Under COBRA the employee or beneficiary pays the full cost of the premium at the Town of Wilbraham's group rate and coverage is subject to timely premium payments to the Town of Wilbraham. For more information please contact the benefits administrator or visit the website of the U.S. Department of Labor at: http://www.dol.gov/dol/topic/health-plans/cobra.htm

## Health Insurance Portability and Accountability Act (HIPAA)

Employees have the right to decline health insurance coverage if they have other coverage and may in the future be able to enroll themselves and their dependents on a town sponsored plan if they request coverage within 30 days after their other coverage ends. In addition, if you have a new dependent as a result of marriage, birth or adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption and provide proof (e.g., marriage certificate, birth certificate, adoption record) of this “qualifying event”. HIPAA limits the circumstances under which coverage may be excluded for pre-existing medical conditions. Under the law, a pre-existing conditions exclusion generally may not be imposed for more than 12 months. It also provides for the right to receive a certificate of health coverage from your employer. For more information please contact the benefits administrator or visit the website of the U.S. Department of Labor at http://www.dol.gov/ebsa/faqs/faq_consumer_hipaa.html

## Medicare Modernization Act of 2003

The Medicare Modernization Act of 2003 requires all employers that offer prescription drug coverage to notify covered employees and retirees who are Medicare eligible, or who may be Medicare eligible, as to the value of the current prescription drug benefit compared to that of the optional Medicare Part D drug benefit that went into effect on January 1, 2006. This is to inform you that all of the health plans that the Town of Wilbraham offers have prescription drug benefits that are at least as good as the standard Medicare Part D prescription drug benefit, and these plans are considered to be “creditable coverage”. This statement is based on reviews performed by qualified actuaries of the prescription drug benefits and spending by the employer on each health plan compared to what Medicare would pay in 2010 and 2011. Therefore, if you plan to continue to be covered under the Town of Wilbraham’s health benefits plans, you do not need to purchase Medicare Part D*. If in the future you should want to purchase Part D for whatever reason, because you have been covered by a plan that has benefits as good as or better than Part D benefits, you would not be charged the Part D late enrollment premium penalty.

** There is a possibility that Medicare eligible retirees who meet the Medicare Part D low-income guidelines and who qualify for a government subsidy could do better under Part D than under the current Rx benefits offered through the Town of Wilbraham. Individuals who think they might qualify for the Medicare Part D low-income subsidy should seek assistance from the local social security office. If you buy Part D, please inform us as soon as possible.*

# Insurance Premium Rates effective July 1, 2011

**IMPORTANT NOTICE: Effective July 1, 2011 the town will deduct employee premiums on a weekly schedule for 48 weeks instead of 52. If a month has a fifth payday (for instance, July, September and December 2011), the town will not take any premium deductions from the fifth paycheck. This is so we can balance employee payments with the monthly insurance premium billing cycle. If you have any questions, please contact Herta Dane, Human Resources Coordinator.**

**HEALTH INSURANCE - Weekly****

| BC/BS | Individual | | | Double | | | Family | | |
|---|---|---|---|---|---|---|---|---|---|
| | 100% | Town 50% | Employee 50% | | | | 100% | Town 50% | Employee 50% |
| Blue Care Elect PPO | $1,426.00 | $178.25 | $178.25 | | | | $3,480.00 | $435.00 | $435.00 |
| | | | | | | | | | |
| | 100% | Town 89% | Employee 11% | | | | 100% | Town 71% | Employee 29% |
| Network Blue HMO | $563.00 | $125.27 | $15.48 | | | | $1,471.00 | $261.10 | $106.65 |

| Health New England | Individual | | | Double | | | Family | | |
|---|---|---|---|---|---|---|---|---|---|
| | 100% | Town 78% | Employee 22% | 100% | Town 78% | Employee 22% | 100% | Town 65% | Employee 35% |
| HNE HMO (3-tier plan) | $549.00 | $107.06 | $30.20 | $1,116.00 | $217.62 | $61.38 | $1,505.00 | $244.56 | $131.69 |

| TUFTS | Individual | | | Double | | | Family | | |
|---|---|---|---|---|---|---|---|---|---|
| | 100% | Town 78% | Employee 22% | | | | 100% | Town 65% | Employee 35% |
| Tufts Health Plan HMO | $787.25 | $153.51 | $43.30 | | | | $1,967.84 | $319.77 | $172.19 |

100% = total monthly premium
Town = total weekly town share
Emp = total weekly employee share

| DENTAL INSURANCE - Weekly** | | |
|---|---|---|
| | Individual | Family Plan |
| BC/BS Dental | $10.95 | $31.98 |
| (employee pays 100% of premiums) | | |

| GROUP LIFE INSURANCE - Monthly | | |
|---|---|---|
| | Town Monthly (50%) | Employee Monthly (50%) |
| Boston Mutual Term Life Ins ($2,000) (town pays 50% of premiums) | $0.84 | $0.84 |

* weekly rates based on 48 weeks/4 deductions per month

# HEALTH PLAN COMPARISON CHART FOR ACTIVE PLANS EFFECTIVE JULY 1, 2011

| | BCBSMA Blue Care Elect PPO | | BCBSMA Network Blue HMO | Health New England HMO | Tufts Health Plan* HMO |
|---|---|---|---|---|---|
| | **In-Network** | **Out-of-Network** | | | |
| **Deductible** | None | $250 per member<br>$500 per family | None | None | None |
| **Coinsurance Maximum** | None | $1000 per member<br>$2000 per family | None | None | None |
| **Lifetime Benefit Maximum** | None | None | None | None | None |
| | **In-Network** | **Out-of-Network** | | | |
| **INPATIENT** | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* |
| **General Hospital<br>Mental Hospital, Substance<br>Abuse Facility<br>(semi-private room and board and special services)** | Nothing | 20% coinsurance<br>after deductible (Nothing - no deductible - for emergency/accident admissions) | Nothing | Nothing | Nothing |
| **Physician Services** | Nothing | 20% coinsurance<br>after deductible (Nothing - no deductible - for emergency/accident admissions) | Nothing | Nothing | Nothing |
| **Skilled Nursing Facility** | Nothing to 100days per calendar year benefit maximum combined with out of network days | 20% coinsurance after deductible to 100 days per calendar year benefit maximum combined with out of network days | Nothing to 100 days per calendar year benefit maximum | No charge (up to 100 days per calendar year) combined with inpatient rehabilitation | Nothing up to 100 days per calendar year |
| **Rehabilitation Hospital** | Nothing to 60 days per calendar year benefit maximum | 20% coinsurance after deductible to 60 days per calendar year benefit maximum combined with in-network days | Nothing to 60 days per calendar year benefit maximum | No charge (up to 100 days per calendar year) combined with Skilled Nursing Facility | Nothing up to 100 days per calendar year |
| | **In-Network** | **Out-of-Network** | | | |
| **OUTPATIENT HOSPITAL** | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* |
| **Emergency Room Visits for Emergency or Accident Care** | $50 co-payment per visit (waived if admitted or for an observation stay) | $50 co-payment per visit (waived if admitted or for an observation stay) | $50 co-payment per visit (waived if admitted or for an observation stay) | $50 co-payment per visit (waived if admitted directly from the ER) | $50 co-payment per visit |

| | BCBSMA Blue Care Elect PPO | | BCBSMA Network Blue HMO | Health New England HMO | Tufts Health Plan* HMO |
|---|---|---|---|---|---|
| **Emergency Room Visits for Medical Care** | **In-Network** $50 co-payment per visit (waived if admitted or for observation stay | **Out-of-Network** $50 co-payment per visit (waived if admitted or for an observation stay) | $50 co-payment per visit (waived if admitted or for an observation stay) | $50 co-payment per visit (waived if admitted directly from the ER) | $50 co-payment per visit |
| **Surgery** | Nothing | 20% coinsurance after deductible | Nothing | Nothing | Nothing |
| **Radiation & Chemotherapy** | Nothing | 20% coinsurance after deductible | Nothing | Nothing | Nothing |
| **Diagnostic X-ray and Lab** | Nothing | 20% coinsurance after deductible | Nothing | Nothing | Nothing |
| **Hemodialysis** | Nothing | 20% coinsurance after deductible | Nothing | Nothing | Nothing |
| **Physical Therapy** | $15 per visit up to 100 visits per calendar year benefit maximum combined with out of network days | 20% coinsurance after deductible to 100 visits per calendar year benefit maximum combined with out of network days | $10 per visit to 60 visits per calendar year benefit maximum | $10 co-payment per visit (Limited to 2 months or 25 visits whichever is greater per condition per calendar year) | $10 per visit , 30 visit annual limit. |
| | **In-Network** | **Out-of-Network** | | | |
| **PHYSICIAN'S OFFICE** | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* |
| **Surgery** | $15 co-payment per visit | 20% coinsurance after deductible | Nothing | Nothing | Nothing |
| **Medical Care, Mental Health, Substance Abuse** | $15 co-payment per visit | 20% coinsurance after deductible | $10 co-payment per visit | $10 co-payment per visit | $10 co-payment per visit |
| **Well Child Care** | $15 per visit; 10 visits 1st year 3 visits 2nd year 1 visit/year age 2-11 1 visit/2 yrs age 12-18 | 20% coinsurance after deductible 10 visits 1st year 3 visits 2nd year 1 visit/year age 2-11 1 visit/2 yrs age 12-18 | $10 co-payment per visit | $10 co-payment per visit | Covered in full |
| **Routine GYN Exam** | $15 co-payment per visit (1 visit per calendar year in and out of network combined) | 20% coinsurance after deductible | $10 co-payment per visit (1 visit per calendar year) | $10 co-payment per visit (1 visit per calendar year) | Covered in full (no PCP referral is necessary) |
| **Routine Vision Exam** | $15 per visit (1 visit per calendar year) | All charges | $10 co-payment per visit (1 visit per calendar year) | $10 co-payment per visit (1 visit per calendar year) | $10 co-payment per visit (1 visit every 24 months) (no PCP referral is requ) |
| **Adult Routine Physicals** | $15 co-pay per visit 1visit/5 yrs age 19-29 1visit/3 yrs age 30-39 1visit/2 yrs age 40-54 1visit/year age 55+ | 20% coinsurance after deductible 1 visit/5 yrs age 19-29 1 visit/3 yrs age 30-39 1 visit/2 yrs age 40-54 1 visit/year age 55+ | $10 co-payment per visit | $10 co-payment per visit | Covered in full per visit |

| | BCBSMA<br>Blue Care Elect PPO | | BCBSMA<br>Network Blue<br>HMO | Health New England<br>HMO | Tufts Health Plan*<br>HMO |
|---|---|---|---|---|---|
| | **In-Network** | **Out-of-Network** | | | |
| **Visiting Nurse Home Health Care** | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* |
| | Nothing | 20% coinsurance after deductible | Nothing (includes Hospice Care) | Nothing | Nothing |
| **Durable Medical Equipment** | Nothing to $1500 per calendar year benefit maximum combined with out-of-network maximum | 20% coinsurance after deductible to $1500 per calendar yr benefit max combined with in-network max | Nothing up to $1,500 per calendar year benefit maximum | 20% copayment for DME and Prosthetic Devices (some items require prior approval) | Plan covers 70% member pays 30% no benefit limit |
| **Ambulance** | Nothing (for emergency or medically necessary transport) | Nothing (for emergency transport) 20% after deductible (medically necessary transport) | Nothing | $25 co-payment per member per day (incl Chair Van services) | Nothing (when medically necessary) |
| **Routine Pediatric Dental** | All charges | All charges | Nothing (covered services each six months) | Preventive dental only; no charge after $25 deductible per child per calendar year (for children under 12) | Not covered |
| **Chiropractor Visits** | $15 per visit (up to 12 visits per calendar year) | 20% coinsurance after deductible (up to 12 visits per calendar year) | All charges | All charges % discount through Optum Health | Not covered |
| | **In-Network** | **Out-of-Network** | | | |
| **PRESCRIPTION DRUGS** | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* |
| **Retail prescription (30-day supply)** | Tier 1: $10<br>Tier 2: $20<br>Tier 3: $35 | Same as PCP/Plan Approved at retail pharmacies outside of Massachusetts | Tier 1: $10<br>Tier 2: $20<br>Tier 3: $35 | $10 generic<br>$20 brand (formulary)<br>$35 non-preferred (non-formulary) | Tier 1: $10<br>Tier 2: $20<br>Tier 3: $35 |
| **Mail order maintenance prescription (90-day supply)** | Tier 1: $20<br>Tier 2: $40<br>Tier 3: $70 | Same as PCP/Plan Approved at retail pharmacies outside of Massachusetts | Tier 1: $20<br>Tier 2: $40<br>Tier 3: $70 | $20 generic<br>$40 brand (formulary)<br>$105 non-preferred (non-formulary) | Tier 1: $20<br>Tier 2: $40<br>Tier 3: $70 |
| | Express Scripts, Inc. (ESI) is the PBM | Express Scripts, Inc. (ESI) is the PBM | Express Scripts, Inc. (ESI) is the PBM | MedMetrics Health Partners MHP is the PBM Well-Dyne for mail order | CVS/Caremark is the PBM |
| **OTHER** | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* | *Member Pays* |
| **Fitness** | Up to $150 reimbursement toward membership or exercise classes at a health club See plan details | Up to $150 reimbursement toward membership or exercise classes at health club See plan details | Up to $150 reimbursement toward membership or exercise classes at a health club See plan details | Up to $150 reimbursement per calendar year | $150 fitness reimbursement per household per calendar year |

This is an abbreviated description of benefits. Details of coverage are available from each health plan provider. Health plans provided the information in this summary. The SVRHT is not responsible for the accuracy of this summary of benefits.

## General Eligibility Chart & Enrollment Deadlines

| Benefit | Eligible Employees (min work hours) | Enrollment Deadlines | Retirees |
|---|---|---|---|
| **Health Insurance**<br>HMO and PPO Plans<br>Senior and Med Wrap Plans | 20 hours or more per week and<br>Compensated Elected Officials (**must earn $5000 or more/yr & document 20 hrs/week**)<br><br>Employees who are on Medicare | - Within 30 days from date of hire<br>- Open enrollment<br>- Within 30 days of a HIPAA qualifying event (marriage, birth, adoption of a child, loss of other coverage) | If eligible at time of retirement has one time option to enroll, may choose any plan, eligible to participate in annual open enrollment; (not covered under HIPAA rules)<br><br>Retirees who are on Medicare |
| **Life Insurance**<br>Term Life Insurance<br><br>Whole (Permanent) Life Insurance | 20 hours or more per week, terminates at age 75<br><br>20 hours or more per week (must be enrolled in term policy) | - Within 30 days from date of hire<br>- Open enrollment | If eligible at time of retirement may continue to participate, policy is reduced to $1,000, terminates at age 75. Voluntary Insurance will be reduced to $5,000.00 |
| **Dental Insurance**<br>Altus Dental | 20 hours or more per week | - Within 30 days from date of hire<br>- Open enrollment | Not eligible |
| **Disability Insurance**<br>Short and Long Term Disability Insurance<br>Accident Insurance | 25 hours or more per week and under age 70 | - Within 30 days from date of hire<br>- Open enrollment | Not eligible |
| **Flexible Spending Accounts**<br>Medical Expense Acc.<br>Dependent Care Exp. Account | 20 hours or more per week | - Within 30 days from date of hire<br>- Annually during Open Enrollment | Not eligible |
| **Deferred Compensation**<br>457 retirement plan for government employees | All non-temporary employees working over 20 hours per week (pay must support deductions) | - At any time | Not eligible |
| **Hampden County Retirement** | Mandatory for employees who work over 20 hrs/wk<br>Mandatory for appointed officials who earn more than $200 per year<br>Optional for elected officials who earn more than $200 per year | - Date of hire | N/A |
| **OBRA** (optional in lieu of Social Security)<br>Omnibus Budget Reconciliation Act 1990 | 20 hours or less per week seasonal/temporary employees | - Within 30 days from date of hire | Not eligible |

# Dental Insurance: DENTAL BLUE PROGRAM 2

## Back to Blue Cross/Blue Shield!

We received several proposals for dental coverage and decided to switch back to BC/BS because they offered the most competitive rates.

### Questions? Call **1-800-262-BLUE (2583)**

For questions about Blue Cross Blue Shield of Massachusetts, visit the website at www.bluecrossma.com, or contact Gloria Congram at 596-2800 ext 102. Gloria is available to meet with you on Thursdays, in meeting room 1 from 9:30 a.m. to 1:30 p.m. The Plan document is available on the BC/BS and on the town's website, or in hard copy in the Selectmen's Office.

**SINCE PROVIDER LISTS CHANGE FREQUENTLY, PLEASE CHECK WITH YOUR PREFERRED DENTIST TO FIND OUT WHETHER HE/SHE IS A BC/BS PARTICIPATING DENTIST!**

| BENEFITS | COVERAGE |
|---|---|
| **Preventive and Diagnostic** | |
| Oral Exams- Cleanings 2/year | 100% |
| Periodic Oral Exams 2/year | 100% |
| Flouride Treatments 2/year | 100% |
| X-rays | 100% |
| Emergency Exams | 100% |
| Sealants | 100% |
| Space Maintainers | 100% |
| **Minor Restorative** | |
| Restorative Services | 80% |
| Oral Surgery | 80% |
| Periodontics/ Endodontics | 80% |
| Prosthetic Maintenance | 80% |
| General Anesthesia | 80% |
| Emergency treatment | 80% |
| **Major Restorative** | |
| Prosthodontics | 50% |
| Crowns, Inlays, and On-lays | 50% |
| Implants | 50% |
| **Annual Maximum Benefit (per person)** Per calendar year (Jan 1– Dec 31 | **$1,500.00** |
| **Deductibles** | |
| Individual Plan | $ 50.00/year |
| Family Plan | $150.00/year |
| **Rates (EMPLOYEE PAYS 100%)** | |
| Individual weekly* | $10.95 |
| Family weekly* | $31.98 |

* weekly rates based on 48 weeks per year

# Flexible Spending Plan

The Town of Wilbraham offers employees who are eligible to participate in the town's group health insurance plan a "Section 125 Cafeteria Plan" pre-tax purchasing arrangement. A Section 125 Plan is not health insurance; it is a way to purchase health insurance on a pre-tax basis. It also allows employees to purchase dental insurance on a pre-tax basis, and offers the opportunity to open two separate "flexible spending accounts" where employees put money into an account on a pre-tax basis to be used for certain purposes:

## Flexible Spending Accounts: FSA

The Town offers two flexible spending account options under the Section 125 Cafeteria or Flexible Benefits Plan. Participation in the Flexible Spending Plan is available for all employees who are eligible to participate in the group health insurance program (minimum work hours is 20 per week). It is necessary for payroll to support the amount of the deductions to allow for the pre-tax benefit. These accounts then reimburse the employee for expenses. Each year during the month of June the employee estimates a dollar amount up to an allowable maximum for anticipated expenses during the following fiscal year and is reimbursed from this account upon submission of qualifying proof of incurred expenses. The payroll deductions will be divided equally between the number of pay periods. Two different Accounts are offered:

Medical Expense Reimbursement Account
The medical expenses reimbursed through this account are expenses normally deductible on your federal income tax return. The maximum amount employees can defer into this account is $3,000 per fiscal year*. Expenses which may be reimbursed include, for example, your health insurance co-payments, prescription medications, eye glasses, chiropractors, dental expenses, and certain surgical procedures. Expenses for which you may be reimbursed are only those approved by the Internal Revenue Service (IRS).

Dependent Care Reimbursement Account
The expenses reimbursed through this account are Child Day Care and Dependent Adult Care up to a maximum of $5,000* per year. (This would be in place of taking the deduction in your federal tax return.)
(*these maximums may change, please check with the treasurer's office for current amounts)

**FLEXIBLE SPENDING ACCOUNTS MUST BE RENEWED EVERY YEAR IN JUNE THERE IS NO AUTOMATIC RENEWAL.**

# Deferred Compensation

457 Deferred Compensation Plans are offered to the employees of state and local governments, subdivisions of state governments or certain eligible key employees of tax-exempt organizations.
Deferred compensation plans allow participants to save for retirement now and pay taxes later by contributing a portion of their salaries to the plan. Your 457 plan may offer investment options through a group fixed and variable deferred annuity, or a selection of mutual funds, or a selection of bank products, or a combination of investment alternatives.

You can start contributing to a deferred contribution account in your name **at any time** and you can change the amount of your contributions – within the allowable limits- at any time. You can also change your investment selections at any time.

**If you have any questions regarding the Flexible Benefits Plan, or for a copy of the Summary Plan Description, or if you would like to open a Deferred Compensation Account, please contact Assistant Treasurer Lynne Frederick at 596-2800 Ext. 129 or Thomas Sullivan, Treasurer/Collector at 596-2800 Ext. 130.**

# Instructions on Completing the HIRD Form

**(eligible employees who decline participation – see reverse side)**

**Employer Information**

Employer Name : The employer must enter the company's legal name.
FEIN: The employer must enter the Federal Employer Identification Number.
D/B/A: The employer must enter the company's trade name "Doing Business As" here, if applicable.
Employer Address: The employer must enter the business address including city, state, and ZIP Code.

Question 1: The employer must indicate either Yes or No.

Question 2: The employer must indicate either Yes or No.

Question 3: The employer must report the dollar amount of the employee's portion of the monthly premium cost of the least expensive individual health plan offered by the employer to the employee, if the employer offers a sponsored health plan (i.e. the employer offers to pay for a portion of the premium).

**Employee Information**

Employee First Name: The employee or employer must enter the employee's first name.
Employee Last Name: The employee or employer must enter the employee's last name.
Employee Social Security or Tax Identification Number: The employee or employer must enter the employee's Social Security or Tax Identification number.

Question 1: The employee must indicate Yes, No, or None Offered if health insurance is not offered.
Question 2: The employee must indicate Yes, No, or None Offered if a "Section 125 Cafeteria Plan" is not offered.
Question 3: The employee must indicate either Yes or No.

Employee Signature: The employee must sign and date the Employee Health Insurance Responsibility Disclosure (HIRD) form.

*(Note to Employer Regarding Employee Signature: If the employee refuses to sign and date the form, the refusal should be noted in writing and signed by the authorized company representative (e.g., the owner, supervisor or manager, chief executive officer, etc.).*

**Alternate Versions of This Form:**
Employers may recreate their own version of the Employee Health Insurance Responsibility Disclosure (HIRD) form. However, all information must be included, with the same wording and order, and the sequence and numbering of the Questions must be exactly as it appears on the version provided by the Commonwealth of Massachusetts.

DHCFP-EHIRD11

The Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Health Care Finance and Policy

# Employee Health Insurance Responsibility Disclosure Form 2011

You are completing this form because you have declined to participate in your employer sponsored health insurance plan and/or have declined to participate in the employer's "Section 125 Cafeteria Plan" pre-tax purchasing arrangement. A Section 125 Plan is not health insurance; it is a way to purchase health insurance on a pre-tax basis. For information about affordable health insurance options, visit the Commonwealth Connector at www.mahealthconnector.org

## Employer Section

*Employers: please complete this section. See instructions below.*

| | | |
|---|---|---|
| Employer Name: | Town of Wilbraham | FEIN: 04-6001366 |
| Employer D/B/A: | Town of Wilbraham | |
| Employer Address: | 240 Springfield Street | |
| City \| State \| ZIP Code: | Wilbraham, MA 01095 | |

1. Did you offer a "Section 125 Cafeteria Plan" to this employee? ☑ Yes ☐ No
2. Did you offer employer sponsored health insurance to this employee? ☑ Yes ☐ No
3. If you offered sponsored insurance to this employee, what is the dollar amount of the employee's portion of the monthly premium cost of the least expensive individual health plan offered by the employer to the employee?
(If did not offer sponsored insurance, leave blank) **$61.93**

## Employee Section

*Employees: please complete this section. See instructions below.*

**Employee First Name: _____Last Name: _____**

1. Did you accept your employer sponsored health insurance? ☐ Yes ☐ No ☐ None Offered
2. Did you agree to use your employer's "Section 125 Cafeteria Plan"? ☐ Yes ☐ No ☐ None Offered
3. Do you have other health insurance? ☐ Yes ☐ No

**Employee Affidavit**

I hereby affirm, under penalties of perjury that all the information provided herein is true to the best of my knowledge. I also understand that if I do not have health insurance I may be responsible for the full costs of all medical treatment, that I may forfeit all or a portion of my Massachusetts personal tax exemption and be subject to other penalties pursuant to M.G.L c. 111M, that the Employee Health Insurance Responsibility Disclosure (HIRD) Form contains information that must be reported in my Massachusetts tax return, and that I am required to maintain a copy of the signed HIRD Form.

Employee Signature: _____Date (MM/DD/YY): _____/_____/_____